

Public Notice
11 NYCRR Part 16
New York State Insurance Department

Introduction

11 NYCRR Part 16 (Regulation 86) implements Article 63 of the New York Insurance Law. Article 63 authorizes insurers to write policies that are significant in dimension or exotic in nature as special risk insurance. An insurance company does not have to file rates and forms with the Insurance Department for policies written as special risk insurance. However, the rates and policy forms used for special risks still must comply with the governing standards set forth in the Insurance Law and regulations promulgated thereunder.

Pursuant to 11 NYCRR Part 16, “special risks” are specifically identified and categorized into two groups: Class 1 and Class 2. Class 2 includes coverages that are:

- (i) of an unusual nature, a high loss hazard, or difficult to place; and
- (ii) identified on the list set forth in Section 16.12(e) of Regulation 86 or additions thereto made pursuant to Section 16.8(f) of Regulation 86.

Section 16.8(f) establishes procedures for adding Class 2 risks to the regulatory framework. Application may be made to the Superintendent to add a class to the list of eligible Class 2 risks enumerated in Section 16.12(e). If the Superintendent, after review of the application, determines that a class should be added to the list, it is published in the State Register, pursuant to Section 16.8(f)(3).

Additions to Class 2 risks are effective on the date specified in the Public Notice that is published in the State Register. The text of Regulation 86 is periodically amended to incorporate the Class 2 risks added via publication in the State Register.

Notice of Change

Pursuant to Article 63 of the Insurance Law and Section 16.8(f) (3) of Regulation 86 (11 NYCRR Part 16), the Insurance Department hereby gives notice of the following change of statistical code designation 2-14196 for “Warehouseman’s Liability” to statistical code designation 2-14205. The classification description is as follows:

Warehouseman’s Liability – Coverage for the liability of a warehouse owner and/or operator for loss or damage to the lawful goods of others in their care, custody or control.

Notice of Addition

Pursuant to Article 63 of the Insurance Law and Section 16.8(f) (3) of Regulation 86 (11 NYCRR Part 16), the Insurance Department hereby gives notice of the following addition to Section 16.12(e), Class 2 Risks, effective December 30, 2009.

The Statistical Code designation 2-14206 has been assigned to the classification “Auto/Boom Truck Operations”. The classification description is as follows:

Auto/Boom Truck Operations/Liability-insurance policy providing both (i) commercial auto coverage with limits of liability that meet or exceed the minimum financial responsibility limits; and (ii) commercial general liability risks for owners, operators and lessors of self-propelled or "road ready" vehicles with articulated or telescopic arms, cranes or concrete pumpers permanently affixed. Includes liability coverage for operation of boom trucks where equipment was leased with (or without) the services of an operator. The policy shall provide separate and equal per occurrence limits of liability for the commercial auto liability coverage part and the commercial general liability coverage. In addition, any general policy aggregate limit of liability shall not be applicable to the policy's commercial auto coverage part or to the products/completed operations coverage part and the declarations page shall specifically so indicate.

For further information contact Buffy Cheung, NYS Insurance Department, Property Bureau, 25 Beaver Street, New York, New York 10004, at 212-480-5587 or bcheung@ins.state.ny.us